Verification

How to Complete the Verification Process

Child & Adult Nutrition Services – DOE

SY2014-15

Good day,

The following webinar is regarding the verification process for the National School Lunch Program.

Verification

- Is confirmation of eligibility for free and reduced price meals under the National School Lunch Program (NSLP) and School Breakfast Program (SBP)
- Is only required when eligibility is determined with an application
  - not through direct certification conducted with an Assistance Program (SNAP, TANF, FDPIR) or agencies that documented Other Source Categorical Eligibility (foster, homeless, migrant, runaway) or Head Start
- May include confirmation of any other information required on the application, such as household size.

First, What is verification?

Verification is a process to determine that reported information is correct, to ensure eligible families receive benefits.

From Elig Manual pg. 81

VERIFICATION is confirmation of eligibility for free and reduced price meals under the NSLP and SBP. Verification is only required when eligibility is determined through the application process, not through direct certification conducted with an Assistance Program (SNAP, TANF, FDPIR) or officials or agencies that documented Other Source Categorical Eligibility (foster, homeless, migrant, runaway, or Head Start). Verification must include either confirmation of income eligibility or confirmation that the child or any member of the household is receiving assistance under SNAP, FDPIR, or TANF or that a child is Other Source Categorically Eligible. Verification may include confirmation of any other information required on the application, such as household size.

Topics for today

- Eligibility Manual For School Meals
- Exemptions from Verification
- Establishing the sample size
- Non-response Rate
- Choosing the method
- Confirmation review

- Household letters
- Important Definitions
- Common problems
- Verification for cause
- Second Review of Applications
- Deadlines
- Questions & Answers

As previously stated, this webinar will touch on the process of verification. For assistance on how to fill out the verification form for reporting to the CANS office, please observe the Verification Reporting webinar.

The areas that will be reviewed today will include are listed on the current slide.

Verification Guidance

August 2014

Eligibility Manual for School Meals

Determining and Verifying Eligibility

- **Eligibility Manual for School Meals**
  - Updated version August '14
  - See part 9 (page 81)
- NSLP Memo #51.6

The eligibility manual is your guidance/policy for completing verification in addition to the regulations.

NSLP Memo #51.6 on the CANS-NSLP page features more information for verification, including prototype letters, and the verification form to fill out for reporting. This presentation will focus on the verification process.

Purpose of Verification

Each Local Education Agency (LEA) must annually verify eligibility of children from a sample of household applications approved for free and reduced price meal benefits for that school year.

Each Local Education Agency (LEA) must annually verify eligibility of children from a sample of household applications approved for free and reduced price meal benefits for that school year.

All LEAs that gather applications must complete verification.

Verification asks selected families to provide documentation to support all the information reported on their household application.

Verification Exemptions

- **Directly certified students** (SNAP/TANF/FDPIR)
- Students who have been certified as:
  - ★ *Migrant*   ★ *Homeless*
  - ★ *Runaway*   ★ *Head Start*
- **RCCI** agencies with only residential students
- Agencies that are beyond their base year in **Provision 2 or 3**
- Agencies that are fully participating in **CEP**
  - **CEP approved sites** within an agency are exempt
- Agencies where all children are served with no separate charge for food service (non-pricing programs)

Next, lets talk about some exemptions. If your agency is exempt from verification activities, there are still some brief information to report on the verification form.

- RCCI agencies with only residential students, Agencies that are beyond base year for Provision 2 or 3, and Agencies that are fully CEP are exempt from verification activities.
- In schools where all children are served with no separate charge for food service and no special cash assistance is claimed (i.e., non-pricing programs claiming only the paid rate of reimbursement);

Next, we are going to talk about students that are not to be included in the verification pool. Do not consider these students for verification.

- Students that are directly certified, which would include SNAP (previously known as Food Stamps), TANF, or FDPIR, these students should NOT be included in the verification pool, and should not be selected by the agency for verification. In addition, students in the same household as a student that is directly certified also should not be included in the verification pool, due to extending of eligibility.
- To touch on Other Source Categorically Eligible, such as migrant, homeless, runaway, and head start, if a household applies for benefits as one of these distinctions, you must follow up and obtain evidence prior to providing benefits.
  - Once evidence is provided, Other Source Categorically Eligible students including Migrant, Homeless, Runaway, or Head Start are exempt from the verification pool.

Establishing Sample Size

- Count the total number of approved free and reduced applications on file as of **October 1**
  - Based on number of **paper applications**, not the number of children eligible for F/R meals
  - Do not include directly certified children
- Do not include students that are still on carryover benefits from last school year
- Must NOT verify more than or less than established sample size
- Must NOT verify 100% of applications

Next, lets establish a sample size.

Count the total number of approved household applications on file as of October 1 for this school year. Again, this is based on the number of household applications, not the number of students eligible for free or reduced meals. Also, do not include directly certified students.

The household applications to consider for the verification sample are from the current year that are based on income or categorically eligible.

Do not use the ones that are still on carryover eligibility from the prior year.

Choosing a Verification Method

- Non-response rate from prior year
- Review requirements and options
- Determine numbers needed

Now that we have our sample pool determined, we must choose a method.

We will consider the non-response rate from the prior year, review requirements and options, and then determine numbers needed.

Non-Response Rate Definition

- Means households that did not respond to request for information.

- If the non-response was 20% or greater and the LEA must use <u>Standard verification</u>.

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First, what does Non-response rate mean?

Non-response means that a household did not respond to the request for information from verification activities.

If the non-response from the previous year was 20% or greater, you must use the Standard Verification Method.

Non-response Rate – Determine Rate (%)

- To determine rate: Divide the number of non-responses by the total number of applications that were chosen to be verified.
  - From 742 form: (5-8: A4+B4+C4) ÷ (4-1A+4-2A+4-3A)
  - If 5 app's were pulled for verification and 1 or more families did not respond: rate is 20% or greater and must use standard verification.
  - If 10 app's were pulled for verification and 2 or more families did not respond: rate is 20% or greater and must use standard verification.

Before we choose a method, we must determine our non-response rate.

To determine rate: Divide the number of non-responses by the total number of applications that were chosen to be verified.

From last year's verification report form that you filled out, look at the 5-8 section, and take: A4+B4+C4 divided by 4-1A+4-2A+4-3A

For example, if you verified 5 total applications, and at least 1 of the 5 did not respond – rate is 20% or greater and must use standard verification.

Sandra will email you a reminder for all those LEA's that reported a greater than 20% non-response rate.

Type of Verification Used: Standard
Guidance page 84, SD Memo 51.6

- Any LEA <u>may</u> use standard verification.

- LEAs <u>must</u> use if non-response rate prior year was 20% or more.

- USDA preferred method –looks at error prone applications.

Now, we will get into the different methods of verification.

The first type of verification we will talk about is Standard.

- Any school may use standard verification, however, as previously indicated, schools with a non-response rate of 20% or more must use the Standard verification type.
- Standard verification is the USDA-preferred method, as it initially looks at error prone applications.

- Error prone applications are those that are close to the guideline cutoff. An error on that application would be more apt to impact the eligibility category than an error on one that is way under the guideline cutoff. We will talk more about this on the following slide.

Type of Verification Used: Standard
Guidance page 84, SD Memo 51.6

- Verify 3% of all approved F/R applications on file as of Oct 1

- Determine sample size (# apps x .03), increase to a whole number

- Choose first from error prone applications on random basis

  - Error prone = App's with income within $100 monthly or $1200 annually of the appropriate IEGs.

- Not enough error prone applications to complete the sample?

  - Remainder of applications can be selected randomly from all applications subject to verification

The process with Standard type verification is to verify 3% of all approved applications on file, as of October 1.

So, we would determine a sample size, by taking the number of applications on file x .03. This will give us the number of applications that we need to verify.

Remember, if the number of applications to verify comes out as a fraction, always increase to the next whole number.

- This means that if the sample size of applications to verify comes out to 1.3 applications, you must verify 2 applications.

After a sample size is determined, we need to randomly select applications. For the Standard method, we first want to randomly select from the error-prone applications.

- Applications within $100 monthly or $1200 annually of a eligibility cutoff within the income eligibility guidelines are considered 'error prone'.

If you do not have enough error prone applications to complete the sample size, select applications at random from the remaining applications.

If the number of error prone applications exceed the required sample size, only select enough applications to fill the sample size. Do not verify more than you need to, unless you are verifying for cause, and have a reason to do so.

Type of Verification Used:
Alternate 1 (a.k.a Alternate-Random)
Guidance page 85, SD Memo 51.6

- LEAs non-response rate in prior year <u>less than 20%</u> may use this method.

- LEA must verify 3% of all approved F/R applications on file as of October 1.

- Once the sample size is determined applications are selected at random.

Next, we will talk about the Alternate 1 method. This method is also known as Alternate-Random.

Schools with less than 20% non-response rate from the previous program year may use this method.

- Like the Standard method, the school must verify 3% of all approved applications on file, as of October 1. Once the sample size is determined, applications are selected at random.
- However, the difference with this method is that the school considers all applications at random to fill the sample size, rather than initially focusing on just the error-prone applications, as directed in the standard method instructions.

Type of Verification Used:
Alternate 2 (or Alternate-Focused)
Guidance page 85, SD Memo 51.6

- LEAs non-response rate in prior year <u>less than 20%</u> may use this method.
- LEA must verify:
  - 1% of all F/R applications approved as of Oct 1, selected from error prone app's
  - **PLUS** .005% (one-half percent) of all applications approved as of October 1 that provided a case number in lieu of income.
- Use random selection

The 3rd and final method that can be considered for verification is Alternate 2, also known as Alternate-Focused.

- Schools with less than a 20% non-response rate in the previous program year may use this method.

To use this method, the school must verify:

- 1% of all free/reduced applications approved as of October 1, selected from the error prone applications
- Plus, .005% (or 1-half percent) of all applications approved as of October 1 that provided a case number in lieu of income.
  - As a reminder, if a student appears on an application, but also appears on a direct certification list, the child is considered as directly certified, and the application is exempt from verification activities.
  - The only applications that could be considered to fulfil this requirement of the alternate-focused verification method would be those applications that feature a case number, but the student does not appear on the direct certification list.
- An application that includes a case number is to be considered as categorically eligible, and subject to verification activities, until the student, or member of the household, appears on a direct certification list. Once the student or other member of the household appears on the direct certification list, all students within household are to be considered as directly certified, and are not subject to verification.

Type of Verification Used:
No Verification Performed

- Allowed for:
  - RCCIs with no day students
  - Provision 2 and 3 LEAs **beyond base year**
  - Agencies that are fully CEP

  - Applications of students that were later directly certified by iMatch system, notification from CANS, or direct notification from an assistance program like SNAP or TANF

As previously discussed, verification activities are exempt for RCCI agencies with no day students, Provision 2 and 3 LEAs that are beyond their base year, and agencies that are fully CEP, and these agencies only must report enrollment information.

Additionally, applications which include students that are directly certified to receive meal benefits are exempt from verification selection.

For directly certified students, the LEA must have documentation on hand to prove that a student is eligible for free meal benefits. Examples of this documentation would be: the student showing up on the iMatch system, notification from CANS, or direct notification from an assistance program like SNAP or TANF.

Confirmation Review

Prior to any verification activity a second set of eyes, <u>not the person who made the initial eligibility determination</u>, must review each approved application selected for verification to ensure that the initial determination was accurate.

Prior to any verification activity, an LEA official, <u>not the official who made the initial eligibility determination</u>, must review each approved application selected for verification to ensure that the initial determination was accurate. This person is known as the Confirmation reviewer – which can be found in Attachment F of your annual agreement with CANS.

- This requirement is waived if the LEA uses a technology-based system that demonstrates a high level of accuracy in processing an initial eligibility determination. LEAs must contact the State agency to determine if their system qualifies them for this waiver.

Just to review the players in verification:

Determining official – person who reviews application to determine eligibility at the beginning of the year.

Verification official – person conducting verification activities – this person is commonly also the determining official, but is not required to be.

Confirmation official/reviewer – any person that is not the determining official that checks the applications selected for verification for accuracy.

Hearing official – person that is in a position of higher authority than determining official, that is designated to hear complaints about original eligibility determination.

Outcome of Confirmation Reviews

- **No Change in Status:**
  - Initial eligibility status was correct; the LEA verifies the application.
- **Status Change from Reduced to Free:** The LEA:
  - Makes the increased benefits available immediately;
  - Notifies the household of the change in benefits; and
  - Verifies the application.

We will now review the different outcomes during a confirmation review, and what must be done in each scenario if errors are found.

No Change in Status:

Initial eligibility status was correct; the LEA verifies the application.

Status Change from Reduced to Free: The LEA:

Makes the increased benefits available immediately;

Notifies the household of the change in benefits; and

Verifies the application.

We will continue on the following slide.

Outcome of Confirmation Reviews

- **Status Change from Free to Reduced:** The LEA:
  - Does not change the child's status; and
  - Verifies the application.
  - If the child's status changes from free to either reduced or paid, the household is sent a notice of adverse action.
- **Status Change from Free or Reduced to Paid:** The LEA:
  - Immediately sends the household a notice of adverse action;
  - Does not verify the application;
  - Selects a similar application for verification; and
  - Follows the confirmation review procedures for the newly selected application.

To continue with the outcome of <u>Confirmation Reviews</u>, If:

Status Change from Free to Reduced: The LEA:

•Does not change the child's status; and

•Verifies the application.

•If the results of verification conclude that a child's status changes from free to either reduced or paid, the household is sent a notice of adverse action.

•**Status Change from Free or Reduced to Paid:** The LEA:

•Immediately sends the household a notice of adverse action;

•Does not verify the application, as status is now paid;

•Selects a similar application for verification; and

•Follows the confirmation review procedures for the newly selected application.

Household Notification
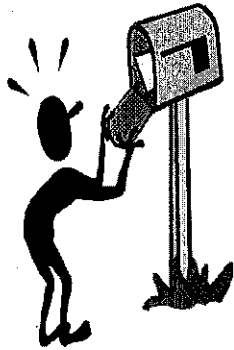
- Refer to NSLP memo #51.6 for prototype notification materials

- Attachment F in CANS Agreement contains your calendar plan

Next, we will talk about household notification. Once an application is selected for verification, after the confirmation review is completed, a notification letter must be sent to the household. Please refer to NSLP memo 51.6 for prototype notification materials.

When filling out the agreement, we asked you to provide a calendar plan in regard to verification. This can be found on Attachment F. If you do it a few days different, as long as you are done by the deadline, **there is no need to contact our office**.

For verification inquiries, **the LEA must provide a telephone number that is available at no cost to the household**. The LEA may establish a toll-free number or allow the household to reverse the charges if any households in that LEA are outside the local calling area. The LEA may also provide different telephone numbers for each local calling area within the LEA.

Written Evidence

- **Income Evidence**
  - Name of household member
  - Amount of income received
  - Frequency received
  - Date the income was received
    - A paystub without dates is not sufficient

- **Evidence Examples**
  - Pay stubs
  - Collateral contacts (employers, social service agencies, etc.)
  - Agency records (wage and benefit information maintained by the State employment agency)

After the verification notification letter is sent out and the household provides documentation, we must determine if the evidence provided is sufficient to verification requirements.

When verifying an income application, evidence must include:

- Name of household member
- Amount of income received
- Frequency received
- Date the income was received

A paystub with no dates would not be sufficient.

Some examples include:

Pay stubs

Collateral contacts (employers, social service agencies, etc.)

Agency records (wage and benefit information maintained by the State employment agency)

Written Evidence

- **Assistance Program Evidence**
  - Official letter or notice from the benefit program indicating that the child or any household member is receiving benefits
    - Example: Notice of eligibility or statement of benefits

In regard to verifying categorical applications with a case number, but do not appear on a direct certification list,

An official letter or notice from the benefit program indicating that the child or any household member is receiving benefits would suffice for evidence. **An example of this would be a notice of eligibility.**

Written Evidence

- **Other Source Categorically Eligible**
  - Official letter, notice, or list from:
    - The appropriate state agency
    - Social services agency or court system for foster children
    - Program coordinator for Head Start enrollees
  - Make sure the document provided for the child is part of a household currently participating in an acceptable assistance program

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In regard to Other Source Categorically Eligible applications,

Acceptable written evidence is an official letter, notice, or list from:

      The appropriate State agency

      Social services agency or court system for foster children

      Program coordinator for Head Start enrollees

The verifying official should examine the document provided to ensure that the child for whom the application was made is part of a household currently participating in any of these programs noted above

Verification Completion Deadline

November

- LEA's must <u>complete</u> <u>verification</u> activities annually by:

November 15th

Written extensions may be approved by CANS for an extension up to December 15 due to natural disaster, civil disorder, strike, or other circumstances that prevent timely completion of verification activities.

You must be **<u>done</u> with verification of applications** by November 15.

Written extensions may be approved by CANS for an extension up to December 15 due to natural disaster, civil disorder, strike, or other circumstances that prevent timely completion of verification activities. A request for an extension beyond December 15 must be submitted by CANS to the regional office (FNSRO) for approval.
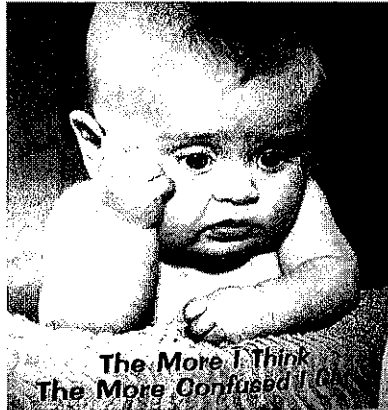
Helpful Info & Definitions

The following slides include additional information and definitions of some terms that may be helpful.

DIRECT CERTIFICATION FOR ASSISTANCE PROGRAMS

- Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), FDPIR (Food Distribution Program on Indian Reservations)
- Using iMATCH or Excel, a computer system between the Assistance Programs and the State or LEA
- No application needed if eligibility is determined through the direct certification process

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- Assistance Programs are SNAP, TANF, FDPIR
- Direct Certification must use a computerized system-iMATCH or Excel
- Household applications are **not** involved in direct certification.

We will continue with direct certification info on the coming slides.

DIRECT CERTIFICATION FOR ASSISTANCE PROGRAMS

- Direct certification for **SNAP** households *must* be conducted using the electronic data match process (Excel or iMATCH)
  - SNAP letters to households do not meet the requirement for SNAP direct certification.
  - If a household provides a SNAP eligibility letter it must be used to establish eligibility but is not considered direct certification.
- Direct certification may be conducted using letters provided to eligible participants from **TANF or FDPIR** that the family submits to the LEA/school.

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DIRECT CERTIFICATION FOR OTHER SOURCE CATEGORICALLY ELIGIBLE PROGRAMS

- Homeless, Migrant, Runaway, Foster
- Conducted through officials from source programs and LEA officials such as the LEA's homeless liaison
- No application is necessary if eligibility for these programs is determined through the direct certification process
- Direct certification for these programs may also be conducted using lists of eligible participants provided to the State or LEA from appropriate officials from Other Source Categorically Eligible Programs
- Letters provided by such programs to eligible participants and contacts with these programs officials may also be used for direct certification

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For Other Source Categorically Eligible programs, such as: Homeless, Migrant, Runaway, Foster,

- Conducted through officials from source programs and LEA officials such as the LEA's homeless liaison
- No application is necessary if eligibility for these programs is determined through the direct certification process

- Direct certification for these programs may also be conducted using lists of eligible participants provided to the State or LEA from appropriate officials from Other Source Categorically Eligible Programs
- Letters provided by such programs to eligible participants and contacts with these programs officials may also be used for direct certification

To summarize: Directly certifying 'Other Source Categorically Eligible' students that are homeless, migrant, runaway, and foster involves the State or local agency that issues those benefits. Direct certification is not granted based on a household application. These students are not subject to verification, as they must be directly certified prior to the issuance of benefits.

*DIRECT CERTIFICATION FOR OTHER SOURCE CATEGORICALLY ELIGIBLE PROGRAMS – **To Summarize...***

- Directly certifying 'Other Source Categorically Eligible' students that are homeless, migrant, runaway, and foster involves the State or local agency that issues those benefits.

- Direct certification is not granted based on a household application.

- These students are not subject to verification, as they must be directly certified prior to the issuance of benefits.

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To summarize for 'Other Source Categorically Eligible':

- Directly certifying 'Other Source Categorically Eligible' students that are homeless, migrant, runaway, and foster involves the State or local agency that issues those benefits. Direct certification is not granted based on a household application. These students are not subject to verification, as they must be directly certified prior to the issuance of benefits.

CATEGORICALLY ELIGIBLE CHILDREN

- Children automatically eligible for free meal benefits because they, or any household member, receive benefits under Assistance Programs (SNAP, TANF, FDPIR) or those children who are designated as members of Other Source Categorically Eligible Programs (homeless, migrant, foster, runaway).

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Children automatically eligible for free meal benefits because they, or any household member, receive benefits under Assistance Programs (SNAP, TANF, FDPIR) or those children who are designated as members of Other Source Categorically Eligible Programs (homeless, migrant, foster, runaway).

- An application that includes a case number is to be considered as categorically eligible, and is subject to verification activities, until the student, or member of the household, appears on a direct certification list. Once the student or other member of the household appears on the direct certification list, all students within the household are to be considered as directly certified, and are not subject to verification.

CATEGORICALLY ELIGIBLE CHILDREN

- There are two ways to be classified as categorically eligible:
  - Through participation in Assistance Programs-SNAP, TANF, FDPIR on a **household application**
  - Through Other Source Categorically Eligible designation-children documented under the applicable definition in this section as:
    - Homeless, runaway, or migrant;
    - A foster child; or
    - Enrolled in Head Start Program
- The household indication of an Other Source Categorically Eligible status **must be confirmed prior to granting free meals,** *except for foster children.*

- There are two ways to be classified as categorically eligible:
  - 1. Through participation in Assistance Programs-SNAP, TANF, FDPIR on a **household application**

  - 2. Through Other Source Categorically Eligible designation- children documented under the applicable definition in this section as:
    - Homeless, runaway, or migrant;
    - A foster child; or
    - Enrolled in Head Start Program
- The household indication of an Other Source Categorically Eligible status **must be confirmed prior to granting free meals,** *except for foster children.*

CATEGORICALLY ELIGIBLE CHILDREN – *To Summarize...*

- Categorically Eligible children are granted free meal benefits <u>based on a household application</u>.
- For Homeless, Runaway, Migrant, and Head Start you must confirm with the State or local agency granting student eligibility before granting free meal benefits.
  - Documentation must be obtained for Other Source Categorically Eligible students to be considered as directly certified
- Foster students DO NOT need supporting documentation before granting Cat. Elig Free meal benefits.
  - You may request supporting documentation after granting free meal benefits, but you are not required to do so.

To summarize:
- Categorically Eligible children are granted free meal benefits <u>based on a household application</u>.
- For Homeless, Runaway, Migrant, and Head Start you must confirm with the state or local agency of student eligibility before granting free meal benefits.
  - That means you are required to do the work to get those students considered directly certified by obtaining proper documentation to consider the student as directly certified
    - Once these students are considered as directly certified, free meal benefits can be granted, and the student is not considered for verification
- Also, just remember that Foster students DO NOT need supporting documentation before granting Cat. Elig Free meal benefits.
  - However, you may request supporting documentation after granting free meal benefits, but you are not required to do so. If no direct certification documentation is on file for a foster student, the foster student would be considered in the verification pool
- Again, as a reminder, students considered as directly certified are NOT to be considered for verification.

Income Eligible Free

- A household application is completed and submitted to LEA
- LEA uses household income to determine eligibility for F/R benefits
- Household meets Income Eligibility Guidelines in the free category

The definition of income-eligible free is when an application is completed, and the Household meets Income Eligibility Guidelines in the Free category.

Income eligibility guidelines are to be considered when determining income eligibility status.

Eligible Reduced-Price

- A household application is completed and submitted to LEA
- LEA uses household income to determine eligibility for F/R benefits
- Household meets Income Eligibility Guidelines in the reduced category

The definition of income-eligible reduced-price is when an application is completed, and the Household meets Income Eligibility Guidelines in the reduced price category.

Income eligibility guidelines are to be considered when determining income eligibility status.

Noted Common Problems

- Not rounding up to a complete number of applications to verify.

- Considering applications for the verification pool from the previous year that were still in the 30-day carryover.

- Adding directly certified student counts into the count of approved F/R applications to calculate the Verification sample size.

We will now list a couple common problems that some agencies have ran into regarding verification.

First, remember to round up to a complete number of applications to verify. When figuring your sample size, if it is determined that 1.3 applications must be verified, you must round up to 2 applications to select for verification.

Another problem is using applications from the previous school year that are still on the 30-day carryover. Remember to use current-year applications that are on file as of October 1.

Also, do not add directly certified student counts into the count of approved F/R applications to calculate the Verification sample size. When determining your sample size, only consider applications on file as of October 1 that do not include directly certified students on the application.

Noted Common Problems

- Assuming you need to verify 3% of free eligible and also 3% of reduced eligible
- Verifying more than is required or allowed
- "I've always verified 3, so I did that again!"

Remember to determine your sample size by using the calculations that are specific to the verification method that has been chosen.

If using Standard or Alternate Random verification, your sample size is 3% of total applications.

Also, only verify enough applications to complete the sample size, unless you are verifying for cause. We will discuss this on the following slide.

Additionally, do not have the mindset that a certain number of applications is always selected. Make the determination based off of applications on file as of October 1 and the method selected.

Verification for Cause & Second Review of Applications

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Next, we will discuss verification for cause, and the second review of applications.

Verification for Cause

- LEA has obligation to verify all questionable applications
- Cannot delay approval of complete application
  - Approve at face value then proceed with verification
- Use same letter templates as the regular verification process
- If family does not respond or is not eligible LEA must terminate benefits
  - Use <u>Notice of Adverse Action</u>

- **Do not count these applications in the verification process**
- **Keep track of Verification for Cause Results**
  - **Will be reported – will discuss more during reporting webinar**

- See guidance on page 83

Next, lets talk about Verification for Cause.

If you receive an application that reports 'zero income', something about the information reported on the application seems incorrect, and sometimes in small towns you know inside knowledge about the family that indicates something on the application is incorrect, The LEA has an OBLIGATION to verify those applications for cause. This process is **in addition** to the applications selected for the verification process.

Verification for Cause is not counted in the verification process. Verification for Cause is done for all questionable applications.

Remember, you cannot delay the approval of a complete application, so approve the application at face value, then verify.

For Verification for Cause, you would use the same notification letter as you would for a regular verification. If the household does not respond, or is not eligible, you must terminate benefits.

Please remember to keep track of Verification for Cause Results, as these results will be reported.

- See page 83 in the eligibility manual for more information on verification for cause.

Verification for Cause for School District Employees

- Cannot be used to automatically verify the households of all school district employees whose children are certified for free or reduced price meals.
- However, from among the list of children approved for free or reduced price meals, an LEA could identify children of school district employees and use LEA salary information available to them to identify questionable applications and then conduct verification for cause on those questionable applications.

Next, we will talk about Verification for Cause for school district employees.

- Verification for cause must not be used to **automatically** verify the households of **all school district employees** whose children are certified for free or reduced price meals.

- From the list of children approved for free or reduced price meals, an LEA can identify children of school district employees and use LEA salary information available to them to identify questionable applications and then conduct verification for cause on those questionable applications.

- LEAs can use verification for cause to review approved applications for free or reduced price meals **when known or available information indicates school district employees may have misrepresented their incomes** on their applications to receive free or reduced price meals for their children. It is recommended that an LEA consult with legal counsel in establishing the parameters of verification for cause for school district employees.

- The Income Eligibility Manual specifically discusses Verification for Cause for School District Employees on page 84.

Second Review of Applications

- LEAs that demonstrate high levels of or a high risk for error associated with certification and benefit issuance are required to conduct a second review of applications (7 CFR 245.11(b)(1)(i-iv) and SP44-2014)
- CANS will notify any LEA's required to perform a Second Review of Applications

Beginning SY14-15, LEAs that demonstrate high levels of, or a high risk for, administrative error associated with certification and benefit issuance are required to conduct a second review of applications.

- Administrative error associated with certification and benefit issuance refers to determination of eligibility error.

All LEAs that are required to conduct the second review of applications have previously been notified by the CANS.

Applications in which a student from an application has appeared on a direct certification list are excluded from the second review of applications.

More will be discussed on the coming slides regarding the criteria, and how to complete the second review of applications.

Second Review of Applications - Criteria

- **How are LEAs selected?**
  - 10 percent or more of certification or benefit issuances in error during a program review
  - LEAs that CANS considers at risk for certification error

How are LEAs selected for this additional requirement?

- All LEAs with 10 percent or more of certification/benefit issuances in error, as determined by CANS during an administrative review
- Additionally, LEAs that the State agency considers at risk for certification error, but not reach a 10% certification/benefit issuance error.

The next slide will discuss the requirements of the second review of applications.

Second Review of Applications

- Requires that ALL applications be reviewed, including applications that were denied for free and reduced price benefits
- Must take place **after** the original determination of the application, but **before** to benefits being issued to the family.
- Must be completed in a timely manner; cannot delay the household receiving F/R meal benefits.

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- Requires that ALL applications be reviewed, including applications that were initially determined to be ineligible for free and reduced price benefits (i.e. denied by the initial reviewer).

- Must take place after the original determination of the application, prior to benefits being issued to the family.

- Review must be completed in a timely manner, as to not delay the household in receiving benefits.

- Next, we will discuss who can complete the second review of applications.

Second Review of Applications

- Second review must be conducted by an individual that did not make the original determination
- This individual is not required to be an employee of the LEA, but must be trained on how to make application determinations
  - They must be aware of the confidentiality requirements of the household applications.
- Reminder: Applications in which a student from the application has appeared on a direct certification list are not to be part of the second review of applications.

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- The Second review must be conducted by an individual who did not make the original determination.

- This individual is not required to be an employee of the LEA, but must be trained on how to make application determinations.

- As a reminder, Applications in which a student from an application has appeared on a direct certification list are not to be part of the second review of applications.

Summary

- Eligibility Manual For School Meals
- Exemptions from Verification
- Establishing the sample size
- Non-response Rate
- Choosing the method
- Confirmation review

- Household letters
- Important Definitions
- Common problems
- Verification for cause
- Second Review of Applications
- Deadlines
- Questions & Answers

In summation, we have talked on quite a lot of topic areas regarding verification.

Here we have a list of all of the areas that were discussed.

Important Dates

- **October 1**
  - Count total number of approved F/R applications on file and begin the Verification of applications process
- **November 15**
  - Verification process must be complete
- **December 15**
  - Verification report 742 must be submitted to CANS office

Here we have some important dates listed, as they pertain to the verification requirement.

Verification Reporting Webinar

- **October 22 – 2:30-4:30**
  - Focused webinar regarding how to report verification results
  - Verification Collection Report

  - Notification to come in email

CANS will be hosting webinar specific to how to report results of verification. This webinar will be held on October 22nd, from 2:30 – 4:30. We will work through the Verification Collection Report, also known as the 742 form.

Keep your eyes on your email for similar notification and instructions.

"I should have asked..."

- Questions now? Later? Contact us!
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  - Phone: 605-773-3413
  - Fax: 605-773-6846

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